Minutes of: CALIFORNIA STATE ATHLETIC COMMISSION

Meeting Specifics: Regular Commission Meeting

June 12, 2002 – 10:00 a.m. Embassy Suites- LAX South 1440 East Imperial Avenue El Segundo, CA 90245

1. CALL TO ORDER BY EXECUTIVE OFFICER

Commissioners Present: Alvin Ducheny

Sanford Michelman Armando Vergara Van Gordon Sauter John Frierson Martin Denkin

Staff Present: Rob Lynch, Executive Officer

Dean Lohuis, Chief Inspector

Earl Plowman, Deputy Attorney General

Anita Scuri, DCA Legal Counsel

Leydis Church, Associate Governmental Program Analyst

Sal Barajas, Assistant Chief Inspector Rebecca Alvarez, Staff Services Analyst Jessica Finch, Recording Secretary

Executive Officer, Rob Lynch began the meeting by introducing the two new members of the Commission. He first introduced John Frierson, who was appointed by Herb Wesson, the Speaker of the Assembly. Commissioner Frierson stated that he was originally from New York and had been an amateur boxer many years ago. He added that he had been in the police department for 26 years, and had worked for Councilman Holden for 10 years as a Senior Deputy. He also stated that he is currently the Vice-Chairman of the Los Angeles Democratic Party. Commission Frierson then added that he is also on the City of Los Angeles Commission on Transportation. Commissioner Frierson concluded with stating that both the city of Los Angeles and the State of California have given much to him and he welcomes the opportunity to give something back.

At this time, Mr. Lynch introduced Martin Denkin who was appointed by Senator John Burton, President pro Tempore. Commissioner Denkin stated that he has been involved with boxing for 52 years. He stated that although much of his career has been as a referee and a judge, he was also previously a Commissioner with the California State Athletic Commission. Commissioner Denkin went on to thank Senator John Burton for his appointment. He concluded that his intention is to be a "working" Commissioner and further intends to help the licensees any way that he can.

Mr. Lynch then introduced Doreathea Johnson who was present in the audience. Mr. Lynch explained that Ms. Johnson is the Deputy Director of the Division of Legal Affairs for the Department of Consumer Affairs.

2. <u>ELECTION OF CHAIRMAN & VICE-CHAIRMAN</u>

Action: Motion by Commissioner Denkin to nominate Commissioner Sauter as Chairman

and Commissioner Michelman as Vice-Chairman. The motion was seconded by

Commissioner Vergara.

Vote: 3-1

Ayes: Commissioner Vergara, Commissioner Frierson, and Commissioner Denkin.

Nays: Commissioner Ducheny.

Commissioner Ducheny congratulated both Commissioners' Sauter and Michelman and departed the meeting.

Chairman Sauter thanked his colleagues for the honor of being chosen Chairman. Chairman Sauter took that time to express both his personal and the Commission as an organization's appreciation to former Chairman Cal Soto. Chairman Sauter stated that former Chairman Soto had been a champion of boxing for decades and had served the State of California with distinction and enthusiasm as well as self-sacrifice for many years. Chairman Sauter further stated that the Commission was fortunate to have former Chairman Soto as a leader and as a friend.

Chairman Sauter then presented a plaque to former Chairman Soto on behalf of his colleagues and friends for his service to the Commission. Chairman Sauter explained that although the plaque was nice, nothing could fully express the Commission's appreciation to former Chairman Soto for his contribution to the sports that are represented by the Commission and the State of California.

At this time former Chairman Soto thanked everyone in attendance for the friendship and appreciation received.

Chairman Sauter then stated that unfortunately former Vice-Chairman Elmer Costa was unable to attend. Chairman Sauter stated that he would prepare a letter of appreciation for former Vice-Chairman Costa and deliver it to Mr. Lynch for distribution.

3. <u>APPROVAL OF APRIL 20, 2002 COMMISSION MEETING MINUTES</u>

Ms. Anita Scuri recommended that two changes be made to the minutes from the previous meeting on April 20, 2002. Ms. Scuri's first recommendation was on page 10, Action Item, to strike "grant the medical disability retirement" and to read "approve the lump sum distribution". She stated that the second item was on page 13, Action Item, to add after the word Committee, "and then to come back with a process for bringing these recommendations to the Commission in the future"

Action: Motion by Commissioner Denkin and seconded by Commissioner Vergara

to approve the minutes as corrected.

Vote: Unanimous

4. <u>SUMMARY OF CHAIRMAN ACTIVITIES SINCE LAST MEETING</u>

Former Chairman Soto stated that there was nothing to report at this time.

5. SUMMARY OF EXECUTIVE OFFICER ACTIVITES SINCE LAST MEETING

Mr. Lynch stated that the following is a summary of his activities:

- April 22, 2002 Commissioner Ducheny and he appeared before the Senate Budget and Fiscal Review Subcommittee #4. The Subcommittee members are Richard Polanco (C), Joseph Dunn and Dick Ackerman. By a vote of 2-1, the members agreed to rehear the augmentation of \$200,000 to the Commission's budget to regulate mixed martial arts and the adoption of trailer bill language to clarify the Commission's authority over mixed martial arts at a later date.
- April 29, 2002, SB 1749 (Polanco) was passed by consent in the Senate Committee on Appropriations. This is our Hepatitis C testing bill.
- May 8, 2002, the recommendation to augment to Commission's budget by \$200,000 and to adopt trailer bill language to clarify the Commission's authority over mixed martial arts was again brought before Senate Budget and Fiscal Review Subcommittee #4. This item remained open to be heard at a later date.
- May 9, 2002 Mr. Lynch met with staff from the Department of Consumer Affairs Personnel and Budget Offices regarding the potential reduction in staffing due to budget cuts.
- May 17, 2002 Senate Budget and Fiscal Review Committee #4 again heard the mixed martial arts funding and trailer bill language. At this hearing, they approved a Commission budget cut of \$74,000. All Committee items were to be forwarded to the Conference Committee.
- May 20, 2002 Assembly Budget Subcommittee #4 composed of Nakano, Campbell, Pacheco, Papan and Wright heard the additional funding for mixed martial arts and the \$74,000 reduction. The items were passed on consent.
- May 25, 2002 the Northern Officials' Clinic was held in Sacramento. The attendance was good and the topics covered were outstanding. Mr. Lynch commended Sal Barajas, Jon Schorle, Steve English, Stan Gordon and Drs. Ketchum and Lemons for making this clinic a success.
- May 30, 2002 the Commission's Invitation For Bid (IFB) for the investment services provider (pension plan) was posted on the Department of General Services website and will

remain on that site through June 13, 2002. Due to the required additional 14 days needed for bidders to meet DVBE requirements, the bid submittal deadline is June 27, 2002 at 5:00 p.m. The bids will be opened June 28, 2002 at 9:00 a.m. Mr. Lynch added that to date we have received ten bids.

• June 4, 2002 the Conference Committee met to hear the \$200,000 augmentation to the Commission's budget to regulate mixed martial arts and the trailer bill language to authorize the Commission to regulate mixed martial arts. Both items were denied. Mr. Lynch further added that staff is not permitted to participate in the Conference Committee hearings and are solely at the mercy of the Committee and the Department of Finance.

Mr. Lynch stated that the Commission may be facing another budget cut which translates to another filled position being eliminated. He explained that the Budget Letter entitled "2002-2003 Reduction In Statewide Positions" will require all agencies to identify reductions totaling at least 5% of all authorized positions per the 2002-2003 Governor's Budget. Mr. Lynch further explained that for the Commission, that would amount to approximately \$35,000. Mr. Lynch added that he did not know when the budget cuts might end.

Mr. Lynch announced that the 2002 annual conference of the Association of Boxing Commissions will convene on July 31 through August 2 at the Miccosukee Resort and Gaming in Miami, Florida. He concluded with stating that he is under the impression that this location is located in the center of the Everglades.

6. FEDERAL BOXING LEGISLATION - ACTION

Mr. Lynch referred this section to Mr. Earl Plowman, Deputy Attorney General, who in the opinion of Mr. Lynch is an expert on this matter.

Mr. Plowman began by stating that the Summary of the "Professional Boxing Amendments Act of 2002" (Act) seems to be an attempt by the federal government to take over boxing. He explained that although it may be masked as trying to assist state boxing commissions, it creates an entire new "super agency" in the Department of Labor and appears to have a wide range of jurisdiction. Mr. Plowman added that there are many items listed that are below the California standards.

Chairman Sauter commented to Mr. Plowman that upon reviewing the summary it was his impression that the Act is vague as to what responsibilities it was going to supercede by state and local commissions. Mr. Plowman concurred that the language was vague. Mr. Plowman added that in his opinion the Act contained Constitutional flaws. He stated that it does not clarify the relationship between state commissions and Native American boxing. Mr. Plowman explained that what bothered him the most was the lower standards in terms of responsibility the commissions have for the financial end of fights. He further explained that in the State of California, the Commission tries to close the "books" on a show 48 hours after a fight. Mr. Plowman stated that this Act gives the promoter 7 days after a fight to report what they have done and what they intend to do regarding their obligations. He stated that the only visible benefit from this Act would be that possibly pregnancy testing would be a federal standard.

Vice-Chairman Michelman then asked Mr. Plowman where this issue stood in legislation. Mr. Plowman stated that it is just a "mark up" at this point and has not been introduced. Vice-Chairman Michelman inquired as to whether or not Mr. Plowman was aware of other states standing on this issue. Mr. Plowman replied that he has not heard directly from any of the other states, although he has received email from the Association of Boxing Commissions (ABC). He added that the ABC is behind this Act. Mr. Plowman explained that if this Act passed that it would give the ABC the federal recognition that the ABC has desired for some time as well as revenue that the ABC has desired. Chairman Sauter asked how the revenue source would be achieved to which Mr. Plowman responded that in addition to licensing fees paid to the state, the applicant would also pay the USBA (created by this Act) for licensure. Mr. Lynch added that in essence this would give the applicant a "double whammy" by paying licensing fees to both the USBA and state athletic commissions.

Commissioner Denkin stated that he felt that this Act would disregard the commissions that had been dedicated to improving boxing. He further stated that it is his belief that the ABC is controlled by a few East Coast boxing commissions. Commissioner Denkin stated that he believes that this Act would give control to the USBA for states that do not currently have commissions.

Vice-Chairman Michelman suggested that the Commission review a summary of this Act in terms of where the industry at large stands and to take a position as to whether the California State Athletic Commission supports or opposes such legislation. He feels that either opinion needs action behind it. He further suggested that this summary be done in a timely fashion and presented to the Commission. Vice-Chairman Michael stated that at that time a motion could be made to support or oppose the Act. Chairman Sauter suggested that a letter to Senator McCain be drafted and that the letter thank the Senator for his interest in boxing and his concern for the welfare of the athletes. He stated that the letter should also contain the fact that this State has had a history of effective self-governance for quite some time and that this State has no desire to relinquish said governance. He further stated that perhaps Senator McCain should be invited to Los Angeles to meet at a gym with representatives from the various sports to exchange opinions with the Senator.

Chairman Sauter pointed out that the Commission should have a strong, focused, assertive and unyielding attitude toward the ABC. He continued by stating that whomever represents the Commission at the ABC Conference in July should go there with a Commission agenda. Chairman Sauter added that this agenda should be circulated to every member in advance to the meeting.

At this time Chairman Sauter asked Mr. Plowman to create an executive report which would be beneficial in a letter to Senator McCain. He asked that Mr. Plowman's report detail how we perceive the ABC to be going and what the issues are.

Commissioner Denkin requested that the promoters that are in attendance be given the chance to respond to this discussion.

(At this point Mr. Plowman read the summary of the Act for the audience)

Chairman Sauter asked the audience if there were comments that anyone wished to be made.

Dan Goossen President of Goossen-Tudor Promotions, stated that he had been involved with boxing promotions since the early 1980's and further stated that he has a long history with the Commission. He explained that due to this long history with the Commission he feels that he is familiar with the Commission's abilities that are displayed. Mr. Goossen further stated that in his opinion, California is one of the two best Commissions in the world today. He further stated that he had testified twice before Congress opposing a federal commission. Mr. Goossen explained that he believes due to situations such as the Mike Tyson issue, in which one state denied Mr. Tyson a license and another state welcomed Mr. Tyson, that this type of issue has propelled the idea of federal commission. Mr. Goossen stated that a federal commission would be a detriment to the State of California. He added that a federal commission would be the demise of the industry. Mr. Goossen further added that along with himself, other well known promoters have agreed to support the State of California and oppose the idea of a federal commission.

Vice-Chairman Michelman asked Mr. Goossen if there was any particular issue that Mr. Goossen was opposed to. Mr. Goossen replied that his opposition mainly dealt with individuals that may be placed on a commission that have no familiarity with the sport therefore those individuals would have to be educated on the sport. Vice-Chairman Michelman argued that if the state commissions were weak, then it would support the idea of federal regulation. Mr. Goossen countered that a federal commission could end up being weak instead of mirroring an experienced and well-run commission. Mr. Goossen stated that he was not willing to gamble as to what caliber commission the federal commission would be. He added that it is his opinion that Senator McCain's interest is political and not for the welfare of the boxers.

At this point, Mr. Benny Georgino who is a promoter and matchmaker from Washington State, stated that he recently attended a meeting in the State of Washington on this subject. He also stated that unfortunately, Washington does not have a commission of this caliber. Mr. Georgino explained that when an issue arises in Washington, he is often asked what the protocol is in California, Nevada or New York. He stated that it is his opinion that if a federal commission were created, that commission's such as California would be placed on the 'back burner' and that California would have to lower their standards to the federal commission's. Mr. Georgino concluded with stating that he would also support California's opposition to the Act.

Chairman Sauter concluded with stating that it is his perception that the national administration has a negative view of the industry of boxing in all of its forms. Chairman Sauter thanked the public speakers for their time and requested a report from Mr. Plowman for Senator McCain. He then requested that a meeting between Chairman Sauter and Mr. Lynch be scheduled to discuss the opinions of other states and the ABC as a whole. Mr. Lynch stated that the major commissions; California, Nevada, Texas and Florida oppose federal regulation. Chairman Sauter suggested that a conference of some sort be made between the major commissions before the ABC conference so that a united front may be presented.

Action: No action was taken.

7. <u>PERSONNEL CHANGES</u>

Mr. Lynch stated that this would be an informational item. He explained that due to the overall economic climate in California and the major reduction to the General Fund the Athletic Commission's budget was reduced a total of \$204,000 for Fiscal Year 2002-2003, which begins July 1, 2002. He stated that the first round of cuts totaled \$130,000 which the Commission absorbed by relinquishing 1.2 permanent clerical positions which were vacant, and a reduction in the funding for 1.3 intermittent inspector positions plus a reduction in operating expenses. He further stated that the most recent budget cut was an additional \$74,000. Mr. Lynch explained that there was no way possible to reduce the operating expenses and additional \$74,000. He further explained that the only alternative that remained was to eliminate a permanent position. He stated that the position, which was targeted for elimination, which was deemed to be the least disruptive to the mission of the Commission, was the Assistant Chief Inspector (ACI) position. The Department of Consumer Affairs Personnel and Budget Offices reviewed the proposal and concluded, "this proposal is sound, both from a fiscal and personnel management standpoint."

Mr. Lynch stated that he did not foresee any major impact on the Commission due to the fact that he could absorb the enforcement duties of the ACI and the Associate Governmental Program Analyst position can absorb the administrative functions.

Chairman Sauter asked if there was any concern about laying off the position from the Commission that he considered a very critical inspection role. Mr. Lynch restated that this position elimination would be the least disruptive action that could be taken considering that Mr. Lynch could absorb a majority of the duties.

Chairman Sauter then asked Mr. Lynch if he (Mr. Lynch) would then be attending the fights. Mr. Lynch stated that he would. Mr. Lynch added that this particular position was vacant for over a year and the Commission functioned well. Vice-Chairman Michelman asked what time frame was that the position was vacant, to which Mr. Lynch responded 1998 through 1999. Vice-Chairman Michelman then asked Mr. Lynch if he had assumed the duties during the vacancy, to which Mr. Lynch responded that he had.

Commissioner Denkin asked if there was any way to adjust the budget so that a position would not have to eliminated. Mr. Lynch stated that the entire perspective had been reviewed and this elimination was the most logical.

Chairman Sauter stated that he had concerns with the Executive Officer (Mr. Lynch) performing in both capacities as Executive Officer and enforcement for Northern California. Chairman Sauter further stated that he felt losing an enforcement position would eventually be a detriment to the Commission. He explained that the person in the position was not as critical to him as the enforcement position itself.

Commissioner Frierson stated that it was his experience that once a position has been eliminated, it was very difficult to regain it. He stated that perhaps another attempt to review all of the avenues was needed. Vice-Chairman Michelman suggested that due to Commissioner Frierson's vast knowledge and experience with the budget process, that he (Commissioner Frierson) meets with Mr. Lynch and review the budget again.

Chairman Sauter requested that Mr. Lynch meet with Commissioner Frierson to review the budget and report at the next meeting. Mr. Lynch agreed.

8. APPEAL OF SUSPENSION AND FINE - ACTION

8.1 David Velasquez – Licensed Second

Mr. Lynch stated that this item would not be heard.

9. <u>LICENSE APPROVALS – NEW APPLICATIONS – SPECIAL</u> <u>CONSIDERATIONS - ACTION</u>

9.1 Cung Le – dba Cung Le – Amateur Martial Arts Promoter – Original Mr. Lynch stated that Mr. Le is applying for an original 2002 amateur martial arts promoter license. He stated that Mr. Le has an extensive background in martial arts and is well known in the martial arts community. Mr. Lynch added that Mr. Le met all of the licensing requirements and was issued a temporary amateur kickboxing promoter license. He explained that Mr. Le held two events in 2001; the first was successful and staff experienced no problems, however, the second event was entirely different in that the majority of the checks written to the Commission and officials bounced. Mr. Lynch added that the checks were made good and that this will not be tolerated again. He concluded with stating that staff recommends that Mr. Le be granted a 2002 amateur martial arts promoter license.

Commissioner Denkin stated that Mr. Le's ability was not in question, but the financial situation of the second event was troublesome. Commissioner Denkin stated that many fighters live paycheck to paycheck and having a check bounce can be overwhelming. Commissioner Denkin suggested that perhaps Mr. Le be instructed to only issued cashier checks for his next event.

Vice-Chairman Michelman stated that on the previous day he had a conversation with Ms. Chilimidos regarding the "bad check" issue. He stated that perhaps a fine be imposed and asked Mr. Le for the explanation of the events that lead to the checks not being honored.

Mr. Le stated that 2001 was his first year promoting a fight and for that particular event he had received sponsorship by an energy drink company. He stated that the energy drink company was funding the event and had been "moving" money from one account to another and the funds were mistakenly unavailable. Mr. Le stated that once aware of the problem, it was promptly taken care of.

Vice-Chairman Michelman asked Mr. Le to explain the "moving" of monies. Mr. Le explained that an account was opened for the sole purpose of this event. Mr. Le further explained that the energy drink company was making deposits into the account, but the venue costs overran what was expected, therefore the funds in the account were unfortunately not sufficient. Mr. Le added that not only were the checks made good, but that he personally apologized to each party involved for the mistake.

Action: Motion by Commissioner Denkin and seconded by Commissioner Vergara

to approve Mr. Le's application with the stipulation that Mr. Le pay with

either cash or cashiers check for the next three events.

Vote: Unanimous

9.2 Art Dore – dba American Boxing and Athletic Association – Amateur Boxing Promoter – Original

Mr. Lynch stated that this item will not be heard.

9.3 Dominator Tomate – dba Dominator Tomate – Amateur Martial Arts Promoter – Original

Mr. Lynch stated that Mr. Tomate is applying for an original 2002 amateur martial arts promoter license. He has an extensive background in martial arts and owns a successful business. Mr. Lynch further stated that Mr. Tomate was issued a temporary promoter license in February of 2002. He also stated that Mr. Tomate's first event was held on April 20, 2002 in Oxnard. Mr. Lynch added that the bouts were will matched and competitive; however, the event was a financial disaster with 57 people in attendance. Mr. Lynch stated that staff recommends that Mr. Tomate be granted a permanent amateur martial arts promoters license.

Action: Motion by Chairman Sauter and seconded by Commissioner Denkin to

approve Mr. Tomate's permanent amateur martial arts promoter license.

Vote: Unanimous

9.4 Dan Goossen – dba Goossen-Tudor Promotions – Promotional Contracts

Mr. Lynch stated that Mr. Goossen does business under the name Goossen-Tudor Promotions as a professional boxing promoter. He further stated that Mr. Goossen requested that this item be placed on the agenda. Mr. Lynch explained that a promoter may not enter into a promotional contract with a boxer without Commission approval. He informed the Commission that the current promotional contract limits the term of the contract to not more than three years; however, a standard Commission boxer/manager contract limits the term of the contract to five years. Mr. Lynch stated that there is no statutory mandate or Commission regulation which states that a promotional contract may not exceed three years; however, Rule 222 prohibits boxer/manager contracts for more than five years.

Mr. Lynch explained that it is Mr. Goossen's contention that to provide contract parity, the Commission should change the wording in the Commission's promotional contract to reflect a five-year maximum. He further explained that

Mr. Goossen believes that it takes more than three years to successfully promote a boxer. Mr. Lynch stated that if there are no objections from legal counsel, staff recommends approval of Mr. Goossen's request.

Vice-Chairman Michelman asked for clarity on the Rule 222. Mr. Lynch stated that Rule 222 pertained to a different type of contract. Mr. Lynch explained that boxer/manager contracts were limited by Rule 222 from exceeding five years, and the promotional contract is limited to three years but not by a rule.

Ms. Scuri suggested that regulations be adopted to change the promotional contract. Chairman Sauter inquired as to how that process is done to which Ms. Scuri replied that language would be drafted to add a provision placing a limitation on the promotional contract. She then stated that it would go through a notice and hearing process with a 45-day notice. She added that after the hearing staff would prepare a file to go the Department of Consumer Affairs for the Director's approval and then to the Office of Administrative Law for their approval. She further added that it would be a four to six month process.

Vice-Chairman Michelman stated that since there was no law, statute or rule limiting the promotional contract that regulation may not be necessary.

Commissioner Denkin stated that the promotional contract in item A-1 states that "No promotional contract may exceed three years nor...". Commissioner Denkin then explained that it was his experience that the word "may" was flexible, unlike "shall" or "will". He stated that he is under the impression that due to the fact that it states "may" that the Commission may change the wording at the Commission's discretion.

Ms. Scuri made the statement that although it states "may" it is her belief that anyone reading the promotional contract would understand that to be that it may not exceed the three years.

Vice-Chairman Michelman stated that Statute 18640 could be used to have the authority to strike the wording without having to go through the regulation process. Ms. Scuri stated yes, it was feasible.

After a lengthy discussion, Ms. Scuri suggested that the clause in the promotional contract Item A-1 that reads three years be stricken and a sentence be added after that stating the Commission may at it's discretion refuse to approve a contract that exceeds five years.

Action: Motion by Vice-Chairman and seconded by Commissioner Vergara to adopt the

above-mentioned language stated by Ms. Scuri.

Vote: Unanimous

10. JOEY TORREYS v. PERRY WILLIAMS BOUT – INFORMATION - ACTION

Commissioner Denkin suggested that viewing of the videotape of the fight be observed before any discussion be made. Vice-Chairman Michelman further explained that he personally had many issues with the tape and had invited the participating parties to write into the Commission to state their point of view. Vice-Chairman Michelman then asked all present to please view the tape in question.

(Videotape of the fight in question viewed)

Vice-Chairman Michelman stated that in his opinion, the boxers in that bout were not competing to the best of their ability. He asked Mr. Dean Lohuis, Chief Athletic Inspector, if he originally held the purses of both fighter at the fight. Mr. Lohuis responded that he had originally held the purse of Perry Williams. Vice-Chairman Michelman then asked for the reasons the purse was held. Mr. Lohuis explained that he, although Mr. Williams had received many punches, was concerned as to whether or not Mr. Williams had put forth his best effort. Vice-Chairman Michelman asked if the purse was held due the question "Was it a legitimate fight?". Mr. Lohuis said that legitimacy of the fight was not in question, but Mr. Williams's effort in that fight was questionable at the time. Mr. Lohuis explained that Mr. Williams had a "wounded fighter" in front of him and instead of continuing to finish off his opponent, Mr. Williams seemed to back off and cover up somewhat. In Mr. Lohuis' opinion, this is not the natural reaction for a fighter that wants to win. Mr. Lohuis stated at that point, Mr. Williams's motivation was questionable. Vice-Chairman Michelman asked Mr. Lohuis if his questions were answered after the fight in interviews with the parties involved.

Mr. Lohuis explained that at the request of the commission, he had interviewed all principals. He further explained that from these interviews that he was satisfied that the fighter did put forth his best effort, considering the ability of the fighter. Vice-Chairman Michelman asked Mr. Lohuis if it was his belief that Mr. Williams went into the fight with the intention of having a legitimate fight with the goal of prevailing at the end of the fight. Mr. Lohuis responded that indeed he did. At this point Vice-Chairman Michelman asked Mr. Lohuis what he based this opinion on, to which Mr. Lohuis replied through the interview process with the participants (fighters), the referee, the judges, the matchmaker, and the doctor.

Vice-Chairman Michelman read an excerpt from a letter from Mr. Lohuis to Vice-Chairman Michelman, in which it states that Mr. Lohuis, felt that Mr. Williams, received heavy punches from Mr. Torres and that they were damaging enough to hurt Mr. Williams. Vice-Chairman Michelman asked that the Commission review the videotape again so that such 'heavy punches' can be pointed out by Mr. Lohuis to Vice-Chairman Michelman.

(Videotape reviewed once more with a narrative from Mr. Lohuis)

Commissioner Denkin asked Mr. Lohuis what Mr. Williams weighed for his San Francisco bout, and Mr. Williams' weight for this particular bout. Mr. Lohuis stated he could not remember exactly what the weight was, but that information is on the main database in Sacramento. Commissioner Denkin stated that the media reports were more than questionable due to the fact that the both fighters were interviewed. Commissioner Denkin stated that perhaps if there were a

way to screen out of state fighters before they were approved to fight in California, a situation such as this one would not occur.

Mr. Lohuis stated that both he and Mr. Lynch agreed that after reviewing the videotape, that Mr. Williams was not capable of receiving a professional boxing license. Mr. Lohuis reiterated that Mr. Williams did not "take a dive" in his opinion, however, he was not a fighter either.

Vice-Chairman Michelman requested explanation of the term "taking a dive". Mr. Lynch responded that he had seen this situation. Mr. Lynch explained that "taking a dive" in essence is going down without being hit. He stated the situation he observed was done within 10 seconds of the first round.

Commissioner Frierson then asked if Mr. Lohuis could recall how Mr. Williams was knocked out in his last fight in San Francisco. Mr. Lohuis stated that he could not recall and that Mr. Sal Barajas was the supervising inspector at that fight. Mr. Barajas stated that he did not remember that fight specifically, but that the card contained very good fights. Commissioner Frierson stated that if Mr. Williams was knocked out in the first round, it could not have been a good fight.

Chairman Sauter asked what the licensure status was of both Mr. Torreys and Mr. Williams at this time. Mr. Lohuis responded that both fighters were denied a permanent license, and therefore are not able to fight in the State of California. Commissioner Denkin questioned as to whether or not the fighters were suspended at this time. Mr. Lohuis stated that both fighters are on the national suspension list and theoretically would not be able to fight anywhere else. Commissioner Denkin then asked what the suspension was for exactly, to which Mr. Lohuis stated that they were suspended for lack of ability. Mr. Lohuis added that a temporary permit was issued, but the permanent license was denied.

At this time, Mr. Lohuis asked Ms. Jessica Finch who is in charge of the licensing duties to explain the licensing process. Ms. Finch stated that as long as the potential fighter has met all licensing requirements (i.e. Physical, neuro exam, negative blood work) and the bout has been approved by Mr. Lynch and Mr. Lohuis the potential fighter is then issued a temporary permit to fight that particular bout. She further explained that once the bout has ended and the ability of the applicant can be ascertained, the application is submitted to Mr. Lynch for final approval for a permanent license. Ms. Finch added that in this particular case both of the fighters were denied a permanent license and placed on Fightfax (national suspension list) in which the fighter's name is listed, the date of denial and the reason for denial, which in this instance was the lack of ability.

Vice-Chairman Michelman then asked Ms. Scuri what else could be done regarding these two particular fighters in addition to denying the licensee. Mr. Plowman stated that a staff investigation had already been completed and the denial of the license is in keeping with the Commission policy. Mr. Plowman further explained that if the Commission felt that further investigation was necessary, that the matter could be forwarded to one of the Commission committees or have the individuals appear before the Commission. Ms. Scuri stated that little

more could be done considering the individuals licenses had already been denied and that the fighters were both on the national suspension list.

At this point Chairman Sauter asked Mr. Lohuis to please read the letter from the matchmaker Bruce Trampler and also any other pertinent information Mr. Lohuis may have. Mr. Lohuis stated he had received a call from Mr. Torreys in which Mr. Lohuis questioned him regarding this event. Mr. Lohuis then read a memo sent to Mr. Lynch from Mr. Lohuis which read as follows:

Mr. Lynch, per your request I have contacted Mr. Torreys by phone regarding his bout with Perry Williams. The following is his response to my question regarding the speculation that Mr. Torreys paid Mr. Williams to take a "dive".

- a) No, I never offered the man anything.
- b) I never spoke to the man.
- c) I would never do that. That is not my character.

Mr. Lohuis stated that Mr. Torreys was assured by the internet writer that a retraction would be printed, which to date has not occurred. Mr. Lohuis further explained that in this article, not only was it stated that Mr. Williams was paid to take a dive, the writer claimed that Mr. Williams went into the audience with a knife attacking people and started a riot. Mr. Lohuis added that there was much false information in the article. Mr. Lohuis explained that both he and Mr. Lynch have experienced bad publicity from internet articles and understood Mr. Torreys frustration in that he did not have an avenue to pursue to force the writer to retract the article.

Mr. Lohuis then read a letter from Bruce Trampler who is the matchmaker from Top Rank. He added that although there are few matchmakers in the World Boxing Hall of Fame, Mr. Trampler was among these matchmakers. The letter reads as follows:

Dear Rob:

I've learned during 34 years as a matchmaker that when dealing with novice pro fighters, sometimes you get lucky, and sometimes you don't. On April 27, 2002 at The Pond in Anaheim, I had some great luck, and some that was not as good. My opening four-rounder was between Robert (Scrappy) Ortiz and Stevie Walker, who was making his pro debut. Ortiz had a record of 3-0, and I'd seen him fight in person on April 12 in Las Vegas. He has extremely limited ability, yet I was reluctant to match him with Walker because Stevie had only one amateur fight and lost that by knockout. Nonetheless, after speaking with Walker's veteran trainer Deanie Crisp, we took a chance on two green fighters. Ortiz won a very exciting, extremely close decision.

In the next prelim, Joey Torreys made his pro debut. I'd watched him train under veteran Olympic coach Ken Adams, and he was also very limited, despite an extensive amateur career some 25 years ago. Seeking an even match, I looked for the worst opponent I could find for a guy who was one week shy of his 42nd birthday. Torreys, however, told me that he was realizing his dream after 23

years in prison. Win, lose or draw, he said, merely entering the ring for his first fight represented a victory for him.

Thus, when Torreys' original opponent pulled out, I obtained Perry Williams, who had been stopped in one round in San Francisco last year by yet another inexperienced, older boxer named Jorge Kahwagi. Torryes hadn't fought in a quarter of a century, and Williams was just a full-contact karate fighter who'd lost his only pro bout via KO in the first round. On paper, it seemed like a fairer fight than Ortiz-Walker, but with two unknown boxers, I hoped I would get lucky with at least one of those matches.

When I told Dean Lohuis of the change, we both laughed and agreed that either way, it would probably be a one-round fight because neither guy could box much. Sure enough. Both men lived down to my pre-fight opinion. Although Williams was younger, had a great body, and had been active in the martial arts, he lacked the heart and skill to overcome Torreys, who was older, slower, in less condition, and hadn't fought since 1977.

In all fairness, Torreys was overcome by the announcer's emotional introduction and by a dramatic video that KCAL ran before he entered the ring. His eyes were full of tears when he got clipped in the opening moments of their scheduled 4-rounder, and I doubt that he saw the punch with which Williams floored him. After going down face-first, Torreys barely beat the count. I didn't think he would be able to continue. Many referees might have stopped the fight and declared Williams the winner, but Raul Caiz, Jr., allowed Torreys to go on. Caiz had the best view of the stricken fighter's face and eyes. Williams didn't have the skill (and some felt, the will) to finish the aging ex-con. Torreys was clearly the braver of the two, and eventually prevailed in the second round.

For some reason, Dean took it upon himself to tell the press that the CSAC was withholding Williams' purse. From almost any other commissioner in the country except Dean I would have considered this to be unconscionable grandstanding. But I've had too much respect for Mr. Lohuis for too many decades, so let's just say I felt that he overreacted, and caused a lot of negative news coverage that took away from an otherwise solid night of boxing. I told Dean that withholding Williams' purse was, in effect merely levying a fine against Top Rank since I was still morally obligated to pay the fighter. He showed up, fought, and dropped Torreys, so we couldn't very well fine an 0-1 fighter because he didn't finish his man, anymore than we would have withheld Torreys' purse if Caiz had stopped the fight. One bum beat another bum.

I offered to send Dean a remarkably similar tape of a heavyweight title fight between champion Rocky Marciano and challenger Archie Moore, two boxing legends, in which Moore knocked Marciano down early in the fight, yet never threw a meaningful punch the rest of the round, or the next round, either. Nobody thought of holding up Moore's purse for lack of effort. Cautious fighters fear

punchers; they don't want to wake up sleeping dogs. If Perry Williams had been a good fighter and quit, I would have asked Dean to not pay him. Remember, I used Williams only because I hoped that he would be bad enough for Torreys to possibly defeat. I certainly didn't sign Williams because he had demonstrated skills superior to Torreys. Having seen his lack of ability against Kahwagi, I concluded that he was like many karate fighters who can punch a little, but can't take it in return. To have not paid Williams would have been to punish him for lack of skill or experience. There's an old boxing adage that says "Fatigue make cowards out of most of us". That's Perry Williams.

Bottom line: I got very lucky with Scrappy Ortiz vs. novice Stevie Walker, but was less fortunate with beginners Torreys vs. Williams, although Torreys was largely responsible for the biggest attendance at The Pond in several years. I feel that not enough was said about the good fights, and way too much was made of one lesser match

Bruce Trampler

Chairman Sauter stated that his concern was that this fight was one that aroused a negative response in the auditorium and among the television announcers. He stated that in viewing it himself it was a very embarrassing contest. Chairman Sauter explained that he was very upset that as a Commissioner, he was not advised that a fight of this nature, with the emotionalisms and suspicions attached to it, it was not brought to his attention. Chairman Sauter also was upset that he was advised that a letter had been received by Senator McCain who, for better or worse, takes interest in the sport of boxing. He thought that was a considerable shortfall in bringing the Commissioners into the ongoing activities of the Commission. Chairman Sauter continued that he had misgivings upon letting someone of Torreys age and skill, have a "wish for a day" and felt it was inappropriate. Chairman Sauter stated he also had misgivings regarding the large weight difference and found the bout a disgrace. He further stated that he had concerns that the time frame that is has taken to conclude an investigation into a fight that occurred on April 27 and that Mr. Trampler waited until now to respond to the Commission.

Chairman Sauter explained that it is the responsibility of this Commission to protect the fighters and protect the credibility of the sport in this state. In his opinion, this fight did nothing to protect the credibility of the Commission or the sport in California. He further stated that he was not satisfied with the investigation that has already taken place. Chairman Sauter stated that Vice-Chairman Michelman's suspicions enhanced his dissatisfaction with the information presented. Chairman Sauter stated that there are two choices at this time for the Commission. First, the Commission may accept the explanation that has been put forward by the Commission staff or secondly, the Commission may have someone such as Commissioner Denkin reinvestigate this issue with his experience and independence and present a report to the Commission.

Commissioner Denkin and Chairman Sauter invited Dr. Paul Wallace, a ringside physician, to comment on the event and give his opinion as a ringside physician. Dr. Wallace stated that ringside physicians must make an assessment based on strictly medical criteria. He added that

this assessment is reported either directly to the referee or to the supervising inspector at ringside. Dr. Wallace stated that a physician could not tell a fighter what they do or do not have. He further explained that if a boxer states that they are hurt, there is no way that a physician can say that that is not the case. He added that a physician can report to the Commission representative or referee that the fighter has stated that they cannot continue or that they have stated that they have a medical problem, which the physician would not allow the fighter to continue. Dr. Wallace stated that in this fight specifically, he agreed that Mr. Williams received some heavy punches, but the problem is that Mr. Williams's reactions to those punches were inconsistent with the punches thrown. He explained that for example, if a person was to be hit and have a rib injury on the right, the normal reaction is to lean towards the right and to be still in that area. He stated that there were several instances in which Mr. Williams did the exact opposite. Dr. Wallace stated that as a physician he did not understand how Mr. Williams stumbled, how he was knocked down, nor how he was knocked out. He interjected that does not necessarily mean that there was something illegal that went with it. Dr. Wallace added that he did agree that with other opinions that when dealing with a novice fighter, the fighter may be looking for a way to get out. He stated that on a scale from 1 to 10 Mr. Williams is a 1-1.5 in skill, but as a ringside physician he had seen much worse. Dr. Wallace concluded that the image of boxing would not have been in question had this fight not been so widely advertised and televised. It is his belief that had this just been a part of the undercard, there would be no issue.

After further discussion, Chairman Sauter asked Commissioners Denkin and Frierson to prepare a presentation for the Commission on how the Commission could use this as a learning experience and what can we decipher this experience so that it would be valuable for our procedure and attitudes going into the future. Chairman Sauter also asked the Commissioners if they would keep in mind Vice-Chairman Michelman's concerns regarding this issue.

Commissioner Frierson accepted the task. Mr. Plowman suggested that regulation be made for staff to follow to have a standard to get information from other states before a bout can be approved. Commissioner Denkin suggested that the report Commissioner Frierson and he will make be forwarded to Senator McCain for his review.

11. RULE 711 – HEADGEAR; UNDER 18 - ACTION

Ms. Leydis Church stated that the Commission staff is recommending that the Commission amend Rule 711 – Headgear for under age 18. She stated that this rule specifies that amateur boxing and martial arts fighters under the age of 18 may wear headgear during a contest or match

Ms. Church further stated that staff would like this rule amended to require that all amateur boxing and martial arts fighters wear protective headgear during a contest or match. She added that this amendment is proposed to ensure the safety of young amateur boxer and martial arts fighters who are inexperienced where an essential required piece of safety equipment for these fighters would be a source of added protection against possible injuries.

Ms. Church explained that this amendment is being proposed to comply with statutory requirement pursuant to Business and Professions Code 18766 which requires amateur boxers and martial arts fighters to wear protective headgear.

She noted that if approved by the Commission, staff would set the regulation for hearing on August 15, 2002. Ms. Church added that at that time written and oral public testimony may be received and heard by the Commission.

Ms. Scuri explained that issue was brought up before. She added that the statute did not agree with the regulation. She stated that regulation had to change to conform to the statute.

Dr. Wallace brought up the question if amateur fighter would now be required to obtain blood tests, to which Ms. Scuri noted that that particular item was not on the agenda and that this item dealt only with headgear. Dr. Wallace suggested that perhaps both issues could be addressed at one time. Ms. Scuri explained to Dr. Wallace that at this time statute stated that amateurs under the age of 18 must wear headgear, therefore regulation must conform to statute. She further explained that in order to require blood testing, statute would have to be changed first then the regulation.

Mr. Frank Gonzalez, and Inspector for the California State Athletic Commission, stated that the United States Taekwondo Union had adopted a worldwide regulation that all minors must wear headgear.

Action: Motion by Commissioner Vergara and seconded by Commissioner Denkin to set

for hearing the change in the language in Rule 711 to comply with current statute.

Vote: Unanimous

12. MIXED MARTIAL ARTS REGULATIONS - ACTION

Mr. Lynch stated that this item was originally placed on the agenda for the Commission to approve the mixed martial arts regulations that had previously been approved by the Commission but have had problems with funding issues. He stated that due to the lack of funding, to pursue approval of the regulations might be a waste of time.

Chairman Sauter stated that he would like some of the Commissioners and some of the principals with a vested interest to meet to discuss approval of funding by perhaps different routes. He feels that this avenue deserves exploring.

Dr. Nelson Hamilton, a licensed kickboxing referee, stated that he may be aware of someone who is considering a gift of funds to the Commission to regulate mixed martial arts. He explained that Mr. Paul Herrera of Hitman Fighting Productions was in the audience and that Mr. Herrera would like additional information as to how a private party would go about a gift of funds to the Commission. Ms. Scuri stated that the State of California can accept gifts of money, property, etc. but that it must go through the Department of Finance and she is under the belief that constraints on the gift may be made such as 'this funding must be used for a specific purpose'. She explained that there is a process that must be followed to go through the

Department of Finance to obtain its approval. Chairman Sauter asked if there was precedent regarding the Department of Finance's approval of a gift to a state agency. Ms. Scuri stated that she was only aware of one occasion, in which the Cemetery Board was allowed to accept fax machines as a gift. Vice-Chairman Michelman asked Ms. Scuri if the gift would change whether it was general fund or special fund to which Ms. Scuri stated that it would not matter.

Chairman Sauter suggested that he and Mr. Lynch meet with the Department to discuss this issue. Ms. Scuri stated that perhaps a reorganization of the mixed martial arts regulations be done rather than add a new program, it was her thought that there might be another way to approach this issue. Ms. Scuri explained that currently the Commission has the authority to regulate all of forms of full contact martial arts, mixed martial arts being one of them. She stated that the regulation may be crafted to not highlight it as a new program thereby approval may be easier. Vice-Chairman Michelman asked for clarity if what Ms. Scuri's statements essentially meant were that the current regulations would be redrafted and deal with funding later. Ms. Scuri stated that this was her intent.

Ms. Scuri asked Mr. Herrera if a more generic regulation was crafted that did not single out mixed martial arts or kickboxing, would the participants of the sport have any objection to this. To this Mr. Herrera stated there would be no objection.

Chairman Sauter advised Mr. Lynch to try the path that Ms. Scuri has suggested. Ms. Scuri suggested that by August perhaps some language could be drafted. Chairman Sauter suggested that both the change of language and the gift issue be pursued. Commissioner Michelman congratulated Ms. Scuri on her possible resolution to the problem.

13. K-1 STYLE MARTIAL ARTS COMPETITION – INFORMATION - ACTION

(This item was heard after Agenda Item 9.1 due to time constraints)

Mr. Barajas stated that under the direction of the Commission, he had attended a K-1 kickboxing event in Las Vegas and would like to make a presentation to the Commission on K-1's behalf. He stated that he had compiled a videotape with interviews from the Nevada Commission's Executive Officer Marc Ratner, Chief Physician Margaret Goodman, as well as Mr. Cory Schafer the ISKA President and K-1 Chief Official. Mr. Barajas asked the Commission's approval to present the video.

(Videotape of interviews played)

At this time Mr. Barajas stated that during this event there were no major injuries and asked if Mr. Schafer could now present his side and answer any questions. Chairman Sauter then asked Mr. Barajas if he would state the goal of this agenda item to which Mr. Barajas replied that Mr. Schafer on behalf of K-1 USA was seeking approval of K-1 style kickboxing events in the State of California. Mr. Barajas stated that these events were basically kickboxing events with a tournament style.

Chairman Sauter then asked Mr. Barajas what the implications of a positive vote would be. Mr. Barajas that K-1 style kickboxing would be able to be held in California. He added that this style of kickboxing was currently promoted in 14 countries. Chairman Sauter then asked if this style of kickboxing had been before the Commission on any previous occasion to which Mr. Barajas stated that to his knowledge that they had not. Chairman Sauter further questioned Mr. Barajas as to whether or not the Commission had the capabilities to supervise these type of contests and Mr. Barajas replied that he believes the Commission does. Chairman Sauter then asked if the Commission had the financial capabilities to supervise these type of contests. Mr. Barajas answered that he was not privy to the budget and could not answer that question. Chairman Sauter then asked the purpose of the item being put on the agenda without knowledge of the Commission's capabilities to supervise the contests.

At this time Mr. Schafer stated that it was his understanding that the K-1 style contests would be replacing some of the kickboxing events currently being held by a particular promoter by the name of Scott Coker. Mr. Schafer further explained that the only difference in the rules between the kickboxing already regulated by the Commission and K-1 was that it was done in tournament style. In Mr. Schafer's opinion, the officials in California were very capably and several California officials were currently being utilized in Nevada as officials for K-1. It was also Mr. Schafer's understanding that the number of events held by the California promoter Mr. Coker would not increase but instead be transformed to K-1 events.

Chairman Sauter then asked if the volume of events would change. Mr. Schafer answered that he did not believe so. Mr. Schafer stated that of the two currently held events in Nevada, one event could be transferred to California or another event added to include California.

Commissioner Michelman then questioned Ms. Anita Scuri, legal counsel for the Commission, if the Commission had the authority to adopt these rules. Ms. Scuri stated that there were two issues at hand. She stated the first was the governmental regulatory body; if the applicant meets the Commission's requirements the fact that the Commission does not have the budget is not an issue the Commission would be able to consider in granting a license. Secondly, Ms. Scuri added, is the issue with respect to K-1. She stated that her review of the K-1 rules in comparison with current Commission rules showed that many of the K-1 rules varied from the current rules. She stated that pursuant to statute Business and Professions Code 18748 & 18761 and Rule 533, the Commission could only deviate from the Commission rules for championships. Ms. Scuri stated that therefore if the K-1 rules matched the Commission rules in terms of such issues as fouls, etc. then the Commission could approve them. She further explained that if they do not, and in her review they do not, the Commission could not approve the K-1 Rules. However she stated that there may be a resolution that she would like to bring up under Agenda Item 12.

At this point, Mr. Schafer stated that K-1 would be willing to comply with the Commission. He further explained that K-1 was willing to modify the rules somewhat to comply with Commission rules as long as the changes did not significantly change the nature of the competition. He stated that the concept is a championship match.

Chairman Sauter stated that instead of a videotape, he would like to see an actual analysis on paper of this issue in all of its forms stating what exactly it recommended to the Commission.

Commissioner Denkin stated that if the issues that Ms. Scuri had mentioned were rectified, the tournament style had been used in the past and the Commission was able to approve that portion. Mr. Lynch stated that there were two options at this point. Mr. Lynch stated that the first option was for Mr. Schafer to completely comply with Commission's current kickboxing rules and whoever wanted to promote the event would be welcome to apply for a promoters license if not already licensed. The second option Mr. Lynch stated was for the Commission to accept the rules "as is" if the bouts are title fights. Vice-Chairman Michelman asked for clarity on the definition of title fights as it applies to tournament style events. Mr. Lynch explained that at one time the Forum in Los Angeles held tournament style fights that had a progression. He stated that essentially this style is championship fights.

Ms. Scuri stated that due to the flexibility in the Statute, the term championship fight could be used for this purpose. She further stated that review of the list of fouls in the K-1 rules would need to be done to ensure that there were no Health and Safety issues being left off.

Chairman Sauter then asked Mr. Schafer if it was possible to discuss the item on the next meeting's agenda in order to further investigate the comparison of rules and an analysis can be made.

After much discussion regarding Rule 533, Chairman Sauter stated that this matter would be set for the next agenda once analysis and recommendation could be made to the Commission. Mr. Plowman stated that communication between himself, Mr. Schafer and Mr. Barajas would be made and a report ready for the next Commission meeting.

14. COMMITTEE REPORTS – INFORMATION – ACTION

14.1 Arbitration Committee Report

Mr. Plowman stated that there are four scheduled arbitrations to be heard on June 21, 2002. He added that Mr. Denkin has offered to be a member of this Committee.

14.2 Pension Plan Review Committee Report

Vice-Chairman Michelman stated that at this time the Committee is working on various aspects of the pension plan in terms of new managers and that a conference call has been arranged to discuss this issue. He stated that the bidding process of the various managers has just begun and did not have anything to report at this time.

14.3 Medical and Safety Standards Advisory Committee Report 14.3.1 Pregnancy Information

Chairman Sauter stated that due to the controversial issue of pregnancy testing, a resolution as to whether California will or will not be able to test may not be in the near future. He added that due to this fact, Ms. Scuri has drafted a notice entitled "What Can Happen If I Fight When I Am Pregnant". Vice-Chairman Michelman stated he felt that this document was a positive mark in the way that the Commission wanted to go with this issue.

Vice-Chairman Michelman asked Ms. Scuri as to why there was a line for the Commission representative to sign if the participant refused. Ms. Scuri explained that this would be for evidence that the notice was given to the participant. Vice-Chairman Michelman asked if these would be kept on file to which Mr. Plowman answered yes they would be.

Dr. Wallace asked if a female fighter stated that she indeed was pregnant, under what statute or regulation is this fighter not to fight. Dr. Wallace noted that in his review of the Rules and Regulations, he could not find a statute, regulation or rule stating that a fighter could not participate if they were pregnant. Ms. Scuri stated that although there is no statute, regulation or rule, a medical determination would have to be made if the participant was capable of participating. Dr. Wallace stated that it is within a doctor's jurisdiction, if the fighter refuses to sign this document, to state that because the physician does not know whether or not the fighter is pregnant, and that it would endanger the participant, that they are not medically cleared to participate. Dr. Wallace further stated that at the 2001 Medical Advisory Committee meeting, the physicians were informed that they could not tell a female fighter that they could not fight although the doctor may have some suspicion or reason in believing that this female is indeed pregnant. Ms. Scuri stated that Dr. Wallace was presenting two different scenarios. She stated that the first was if the fighter stated that she was pregnant, which differs from a physician concluding that since the fighter does not want a pregnancy test, that she is pregnant or that she should not be allowed to fight unless she takes a pregnancy test. Ms. Scuri stated that in the first instance where you may have a fighter that tells you that she is pregnant, you may make a decision that it medically inadvisable for the fighter to fight. She explained that on the other hand, if you do not have that kind of indication what a physician would be doing in refusing to allow her to fight, would be adding a condition of licensure that the law does not state you can add. Dr. Wallace asked if the physician may ask if the fighter is pregnant or sexually active. Dr. Wallace explained that if a female is sexually active then it would put her at risk to become pregnant. Ms. Scuri stated that asking a participant if she is pregnant seems to be allowable, however, asking a fighter if they are sexually active deviates too far from what is required for licensure by law.

Chairman Sauter stated that it was his understanding that the Department of Consumer Affairs had instructed the Commission to avoid this issue all together. Mr. Lynch agreed that he had been verbally instructed to avoid this issue.

Commissioner Frierson stated that he was concerned as to the liability of the State and the physicians if someone were to fight while she is pregnant and be injured. Dr. Wallace stated that he would like a written document from the Commission that spells out what the physician's are not allowed to do in case of a lawsuit.

(This item was interrupted to go to item 17 due to time constraints on the audience)

Chairman Sauter requested that Mr. Lynch set a meeting with the Department of Consumer Affairs director to discuss this issue.

Action: Motion by Vice-Chairman Michelman and seconded by

Commissioner Frierson to utilize the form drafted by Ms. Scuri.

Vote: Unanimous

Mr. Lynch added that this document would be included in each application that was given to a female fighter, as well as, at every weigh in.

14.3.2 Rule 309 – Time between bouts

Dr. Wallace stated that at the present time the way that the forms are set up there is an automatic suspension time for losses by knock out, technical knock out and medical suspensions. He informed the Commission that there was not a specific suspension for a 'hard fight'. Dr. Wallace stated that he has encouraged the other ringside physicians to follow his lead in suspending fighters for 'hard fights' regardless of how many rounds fought. Commissioner Denkin noted that at this time, although there is a mandatory waiting time between fights depending on the rounds scheduled to fight, this could increase the waiting time between bouts. Dr. Wallace stated that he was seeking a mandatory suspension time set for situations such as 'hard fights'. Chairman Sauter instructed Commission staff to work with Dr. Wallace to compile a recommendation for the next Commission meeting and that it would be put on the agenda.

14.3.3 Rule 354 – Warning

Dr. Wallace stated that he would like the Rule changed from the 10 seconds warning to a 5 second warning. Commissioner Denkin stated that he had suggested this be done last year due to the incidents that were occurring during the 10 seconds. Commissioner Denkin stated that he had suggested that the language be changed to "10 seconds or less" to grant the Commission some leeway. Mr. Lynch informed the Commission that two years prior, a suggestion was made to change the language to read "the Commission has the option, to impose a warning upon their discretion, at the time they feel is most appropriate or suitable". Mr. Lynch noted that this would eliminate or reduce improper conduct by any participants involved. He then stated that the Office of Administrative Law wanted specifics. Mr. Lynch stated that the Commission was given a choice of 5 or 10 seconds. He concluded with stating that the Commission chose to stay with the 10 seconds at that time. Mr. Lynch stated that if the Commission wanted to change it to 5 seconds, the language could be changed and submitted to the Commission for approval.

Chairman Sauter suggested that the language be drawn up and presented at the next Commission meeting.

14.4 Legislative Committee Report

Due to Commissioner Ducheny's absence, this item was not heard.

14.5 Officials Committee Report

Due to Commissioner Ducheny's absence, this item was not heard.

14.6 Amateur Boxing Committee Report

Commissioner Vergara stated that he would be attending the National Golden Gloves tournament in Denver, Colorado. He informed the Commission that there had been 250 entrants with 12 representatives from California. Commissioner Vergara noted that of the 12 representatives, 6 were from the Los Angeles area, 2 were from the San Diego area, 2 from Sacramento and 2 from Oakland. He added that the tournament will be from June 15, 2002 through June 22, 2002. Commissioner Vergara also stated that the National Junior Golden Gloves tournament will be in Syracuse, New York on July 11, 2002 through July 13, 2002 in which Commissioner Vergara will also be in attendance. He added that an all female tournament will be held in Chicago.

14.7 Strategic Plan Committee Report

Chairman Sauter informed the Commission that this Committee had met the day before in what he considered a very productive meeting. He stated that due to time constraints that this item would be discussed at the next Commission Meeting.

14.8Martial Arts Advisory Committee

14.8.1 Advisory Report - Dr. Nelson Hamilton

Dr. Hamilton stated that the UFC would be conducting a show in Las Vegas, Nevada at the Bellagio on June 22,2002 in which Fox Sports Net is going to replay the best fight of the night on the sports show "Best Damn Sports Show Period" on either June 24th or June 25th. Dr. Hamilton stated that this would be the first time that mixed martial arts would be receiving this type of media coverage. Vice-Chairman Michelman stated that he would be in Las Vegas at that time and would attempt to attend. Dr. Hamilton stated that his last report contained some background information on mixed martial arts. Dr. Hamilton stated that all forms of full contact mixed martial arts should be under one umbrella under the Commission as earlier discussed. He added that the revenue of these events is substantial and he would like to see it brought to California.

Chairman Sauter thanked Dr. Hamilton for his efforts with the mixed martial arts issues.

15. AGENDA ITEMS FOR FUTURE MEETINGS

Personnel Changes/Budget
Federal Boxing Legislation
Appointment of Commissioners to Committees
Bad Check Recourses
K1 Analysis
Rule 345 - The Referee shall have power to stop contest
Rule 309 - Time Between Bouts
Rule 354 - Warning

16. <u>COMMISSIONERS' COMMENTS AND/OR RECOMMENDATIONS</u>

Commissioner Denkin stated that he was asked by the Commission to find out how to attract a larger audience for the Commission meetings. Commissioner Denkin interviewed approximately 13 people. He stated that 70-80% of the licensees are Spanish speaking and would not be able to understand the meeting if they did come. He added that it would not effect turnout to change the hours due to the fact that most fighters train 6 days a week, usually from 10:00 am through 6:30-7:00 p.m. Commissioner Denkin informed the Commission that most licensees are unaware of when the Commission meetings take place. He suggested that the agenda notices be mailed out to training gyms. Chairman Sauter asked approximately how many boxing gyms there might be in California. Mr. Lynch answered that Northern California had approximately six gyms and Commissioner Denkin stated Southern California had approximately twenty gyms. Chairman Sauter stated that he would follow up on this issue.

17. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Commission Denkin introduced a representative speaking on behalf of a professional boxer named Carlos Bojorquez. Commissioner Denkin explained that at an event in Fresno the promoter, David Ochoa, was paid a approximately \$94,000 by the Table Mountain Casino to hold the event, however, all of the checks from this promoter have bounced including the purse of this fighter. Mr. Tapia, who is the trainer for the professional boxer Luis Vasquez who also fought on that card, stated that Mr. Vasquez was issued his purse in the form of a check, which had also bounced. Mr. Tapia stated that they were unable to cash the check at the casino due to time constraints and thought they would cash it when they returned home. Once home, they attempted to cash the check but was unable to. Mr. Tapia then asked his pregnant sister to deposit the check in her account, and she agreed to help Mr. Tapia and oblige him. Mr. Tapia explained that the funds used to cover the deposit of the check were monies that his sister had planned on using for her impending delivery. He explained that the check had bounced, the sisters' account debited and Mr. Tapia has no way of repaying his sister the funds that were withheld. Mr. Tapia stated that he had contacted Mr. Ochoa and Mr. Ochoa said, "You can take me to court if you want, you didn't fight for me, you fought for Don Chargin". Mr. Tapia stated that this is serious problem for all parties involved.

Commissioner Denkin asked Mr. Don Chargin, a well-known promoter, to please explain the relationship of himself and Mr. Ochoa for this event. Mr. Chargin stated that he was contacted by Mr. Sal Blanco to provide a television contract for this fight in order for Mr. Blanco to obtain a good site fee. Mr. Chargin agreed to provide Mr. Blanco with the television contract as long as the main event was good, therefore Mr. Chargin would help to match the main event. Mr. Chargin explained that he was in possession of a contract in which Mr. Ochoa received \$94,500 as a site fee. Mr. Chargin further explained that his association was with Mr. Blanco and the agreement was to only provide the television. Mr. Chargin noted that as soon as he found out that checks were bouncing, he contacted the Sacramento office of the Commission and was informed that the Commission was attaching the bond of Mr. Ochoa. Commissioner Denkin

informed the Commission members that it can take up to a year to receive payment from a bond, and that it did not seem fair to all involved that they would have to wait so long to get their money. Commissioner Denkin asked to whether or not Mr. Ochoa was a licensed promoter. Mr. Lynch replied that he was. Chairman Sauter asked the status of Mr. Ochoa's license. Mr. Lynch replied that Mr. Ochoa was given until June 1, 2002 to make good on the checks otherwise his license would be suspended. Mr. Lynch added that Mr. Ochoa had not made good on said checks, and his license had been suspended. Chairman Sauter asked Mr. Barajas if he or Mr. Lohuis had and additional information. Mr. Barajas stated that he had forwarded some information to Mr. Plowman but was not informed enough to give Chairman Sauter a concise report since Ms. Kathy Chilimidos was handling the cashiering end of this issue. Mr. Barajas did state that he was the supervising inspector at this event and was trying to respond the best he could. Chairman Sauter then asked Mr. Lynch approximately how long attaching the bond would take place. Mr. Lynch informed the Chairman that in the past in had taken a minimum of 6 months with a maximum of 13 months.

Vice-Chairman Michelman suggested that this item be placed on the next agenda for any disciplinary action that the Commission could take under B & P Code 18843. He suggested to not only revoke Mr. Ochoa's license but to fine Mr. Ochoa. Commissioner Denkin informed the Commission that at this time the Commission could only fine Mr. Ochoa \$2,500. Mr. Plowman stated that this event took place on an Indian Reservation and that the promotional contact had clauses such as

"Promoter will invite and use the California State Athletic Commission (CSAC) to govern and regulate all boxing aspects of this event. Promoter will use its promoter's license and bond to comply with State law and CSAC regulations and will provide a copy of such license and bond to the Casino. The Casino does not have the authority or power to grant a waiver of the Tribe's Sovereign Immunity, as such; it does not purport to either expressly or implicitly waive the Tribe's Sovereign Immunity by executing this Agreement. The parties understand and mutually agree that this Agreement will be executed and performed in Indian Country and shall be interpreted by the laws of said country. Any disputes arising from this Agreement shall be resolved in accordance with the laws of Table Mountain Rancheria."

Chairman Sauter asked if Mr. Ochoa was still involved in boxing. Mr. Lynch replied that Mr. Ochoa was not involved in boxing in the State of California. Mr. Plowman stated that there is some evidence to suggest that this was a 'co-promotion' in being that the copies of the information that was supplied by the Casino are on the letterhead of an attorney by the name of Sal Blanco. Mr. Lynch stated that Mr. Blanco is currently a licensed promoter in the State of California.

Mr. Chargin reiterated that it was Mr. Blanco with whom he had dealings and was unaware of Mr. Ochoa's role until a few days before the actual event. Chairman Sauter then asked what were Mr. Blanco's obligations as it stands regarding the bounced checks. Mr. Plowman stated that Mr. Ochoa was the responsible party and not Mr. Blanco. Mr. Plowman added that checks that were cashed at the Casino had also bounced.

Mr. Plowman reiterated that the Casino does not have the authority to waive the Tribe's Sovereign Immunity and that the Commission was invited to regulate this event. Vice-Chairman Michelman stated that he believed the issue of Immunity as it pertains to the Commission was of no consequence at this point. Mr. Chargin stated that it was his belief that Mr. Ochoa and Mr. Blanco were partners in this venture. Chairman Sauter asked if Mr. Ochoa and Mr. Blanco were indeed partners, what recourse did the Commission have against Mr. Blanco. Mr. Plowman explained that the Commission had a law that in order for an event to be co-promoted, it could only be co-promoted with the written permission of the Commission. He explained that on paper Mr. Ochoa was the sole promoter.

Commissioner Denkin suggested that Mr. Ochoa be asked to appear before the Commission. Vice-Chairman Michelman suggested that in addition to being put on the agenda, to let Mr. Ochoa know that he would be fined. Mr. Lynch noted that the fine would be \$2,500 per incident, therefore theoretically Mr. Ochoa could be fined \$2,500 per check. Ms. Scuri stated that the gentlemen in the audience and the others who received the bad checks also had other alternatives such as small claims court or the local District Attorneys Office. Vice-Chairman Michelman added that pursuant to B & P Code 18844, if Mr. Ochoa does not pay the fine levied against him within 30 days, that the Commission can ask the Attorney General to bring action in Superior Court to collect the fees and attorney fees. Ms. Scuri agreed that bringing Mr. Ochoa before the Commission with the fines as an option and said repercussions, was a practical choice.

Commissioner Denkin asked if there could be some type of contingency placed upon licensure of a promoter to make good on any money owed to fighter. Ms. Scuri replied that the Commission could revoke Mr. Ochoa's license and make a condition of owed monies to be paid before any consideration to reissue the license.

Chairman Sauter then instructed the Commission staff to take the most aggressive course to have all parties involved appear before the Commission. Chairman Sauter then advised Mr. Tapia that this item would be set for the next Commission meeting.

Mr. Dan Rodarte, a former kickboxing promoter congratulated Commissioner Denkin on his appointment to the Commission.

Chairman Sauter suggested that the Commission meet in the middle of July. Commissioner Denkin suggested the Commission consult the Upcoming Event schedule so that staff would avoid a heavy workload. Chairman Sauter also reminded the Commission that the ABC Conference is scheduled for July 31, 2002. Mr. Lynch suggested July 12. Chairman Sauter asked if anyone had a conflict with that day, to which no one responded that they had a conflict.

Dr. Wallace suggested that the meeting be held at a gym. Commissioner Denkin also stated that he may know of a venue. Dr. Wallace then stated that he would give Mr. Lynch a list of possible venues also.

Vice-Chairman Michelman stated that he may be able to secure a venue for the next meeting. It was agreed that staff would get in touch with Vice-Chairman Michelman in approximately a week to discuss the venue.

The meeting was then adjourned at 4:0	0 p.m.		
The draft minutes were prepared by:	JESSICA FINCH	DATE	
The final minutes were prepared by:	 JESSICA FINCH	DATE	